

1 asked by the investment counselors to release some of those
2 restrictions.

3 As I said, they basically, as you can see from
4 the investments on December 31, we have substantially all
5 of them in U.S. Treasury Bills. That has been the pattern
6 of our investment program.

7 We have not really released them to go into any-
8 thing other than that.

9 Perhaps Federally guaranteed savings certificates
10 or certificates of deposit.

11 MR. KUTAK: There are trust funds.

12 MR. CRAMTON: Does that bring you to your next
13 item?

14 MR. STOPHEL: It brings us to the short item,
15 which is the budget submission for Fiscal Year 1978.

16 I will refresh your recollection at the stage at
17 which we find our budget submission.

18 That is, the proposed budget for this Corporation
19 for the Fiscal Year beginning October 1, 1977 and ending
20 September 30, 1978.

21 At our November 5 meeting of our Board -- I guess
22 it was November 4 -- we discussed at length our proposed
23 budget submission which was the second year in our proposed
24 four year plan for providing a minimum of two lawyers per
25 10,000 poor people.

1 The amount of that budget submission is \$178,350,000.

2 That submission was adopted by the Board and the Committee
3 was instructed to meet and to refine that budget submission.

4 That Committee met on November 5, the day following
5 our Board meeting, and again on December 15, to discuss at
6 length the budget submission.

7 At the December 15 meeting particularly there was
8 much discussion for several hours concerning the possibility
9 of increasing the rate at which we would place -- put in
10 place the funding that would be required to have two lawyers
11 for every 10,000 poor people.

12 At that time there was no unanimity among the
13 Committee concerning this proposal because we did not have the
14 basic data with which to give our decision and our objective
15 at that time was to fulfill what the Board had requested.

16 That was that we refine the budget submission of
17 \$178,350,000.

18 At that meeting, however, it was the decision of
19 the Committee that we would report back to this Board with
20 the budget submission as requested of \$178,350,000 which you
21 will find in your packet of materials.

22 However, it was also a decision of the Committee
23 that we ask the staff to prepare a memorandum giving three
24 additional options that could be considered by this Board
25 for funding in this coming fiscal year.

1 The first option would call for advancing our
2 four year program totally and going to the fourth year and
3 funding at the rate of two lawyers per 10,000 poor people
4 immediately.

5 You will find that in the form of a memorandum that
6 the President will comment on.

7 This would require a budget request of \$264,600,000.
8 It would be \$264.6 or 111 percent increase over our current
9 funding level.

10 Incidentally, our budget request as submitted by
11 the Committee is approximately a 43 percent increase over
12 our current funding level, going from \$125 million to
13 ~~\$174~~ \$1850,000.

14 The second option which the Committee asked the
15 staff to include in its memorandum compacts the four-year
16 program into a three-year program.

17 It compacts two years into one. Its results in a
18 budget --

19 MR. THURMAN: Is it not three into two?

20 MR. CRAMTON: The remaining three into two.

21 MR. STOPHEL: Yes, the remaining three into two,
22 so you would add this and have one more year rather than just
23 two.

24 This would result in a budget request of \$216.8
25 million or an increase of approximately 73 percent over our

1 current funding level.

2 The third option was a much smaller option and it
3 is more a technical change than anything else. We had comment-
4 ed in our submission that we would reduce by about 40 percent
5 -- I am not sure whether it was the uncovered poor -- but
6 when we put the pencil to it we discovered the percentage
7 was different.

8 Am I incorrect?

9 MR. EHRLICH: The gap between where programs are
10 and what we have called a minimum access?

11 MR. STOPHEL: Yes, minimum access. That budget
12 proposal would be \$182.7 million or 45 percent increase.

13 Mr. Chairman, in order to get the matter on the
14 floor, as Chairman of the Audit and Appropriations Committee,
15 I will move that the budget submission of \$178,350,000 as
16 found in the materials be adopted by the Board and submitted
17 to Congress.

18 MR. KUTAK: Is that Option No. 3?

19 MR. STOPHEL: No, it is the budget submission. It
20 is the original budget submission.

21 MR. KUTAK: I see.

22 MR. CRAMTON: Is there any discussion on the
23 Committee proposal?

24 MR. ORTIQUE: Did anybody second it?

25 MR. KUTAK: I will second it.

1 MR. BROUGHTON: I will second it.

2 MR. CRAMTON: Yes, Mr. Broughton seconds it.

3 MR. MONTEJANO: Mr. Chairman?

4 MR. CRAMTON: Mr. Montejano?

5 MR. MONTEJANO: Would the President please possibly
6 explain his memorandum first? I can comment right now.

7 MR. CRAMTON: Either that or members of the Board
8 can discuss the proposals and we can hear from members of
9 the public that may have views to express. Then the President
10 may have a recommendation for us.

11 MR. MONTEJANO: My position is that I feel that
12 Option Number 1 is the best way to go at this time. I think
13 that Option 1 is the best possible course for the Corporation
14 at this time.

15 I think that we have grown to an extent that we are
16 ready to move into high gear. The need is there and no one
17 questions that.

18 The capability, of course, is one of the strongest
19 arguments. If we have the capability, then we should go
20 with Option No. 1.

21 I think we have that duty and I think we would
22 be remiss if we did not go with Option No. 1.

23 Assuming that we would have capability problems to
24 implement, to implement Option No. 1, it is up to the Board
25 to establish a national priority of legal services and point

1 it out to the Congress and the American people that legal
2 services are of such importance that they deserve a top
3 priority in this country.

4 I think that it is up to the Board to tell this to
5 the people. If we do not, I do not think anyone else will.
6 I think we can have the effective voice that will be carried
7 in the halls of Congress.

8 I could go on much more, but for right now I think
9 that Option No. 1 would be the best course of option for
10 us to follow.

11 Therefore, at this time I could not support the
12 motion.

13 MR. THURMAN: Rudy, I think the big question is
14 the question of capability. Can we do an effective job?
15 Can we do an efficient job within these time limits under
16 number one as compared to number 2?

17 I would think that I would like to hear more on
18 this. There are two basic questions here. One is the need
19 and I do not think we have to spend much time on that. We
20 had eloquent testimony on that this morning from the various
21 regional officers.

22 But the second one and more troublesome one is
23 that of capability. When you see the figures there where
24 they step up from 500 lawyers to 3,000 lawyers, that is rather
25 a dramatic increase and reflects some of the problems.

1 MR. CRAMTON: Mr. Broughton?

2 MR. BROUGHTON: Would you submit this -- Did you
3 submit this view to the Committee while they were going over
4 it?

5 MR. CRAMTON: The question is whether Mr. Montejano
6 and Mr. Thurman had communicated their views?

7 MR. BROUGHTON: We understood that the directive
8 of the Board was unanimous at the \$178 million level. That
9 was the case right on up to November 5.

10 MR. THURMAN: Mel, you may recall that at the
11 November 5 meeting I raised this as both the need and capa-
12 bility before the entire Board at that time.

13 MR. BROUGHTON: I am just trying to clear up the
14 fact of the Committee which took which it understood to be
15 the unanimous directive of the Board, to come up with a
16 refined budget with a figure of \$178 million.

17 As far as any Board member is concerned, we did
18 not understand there was any departure from that.

19 Maybe I missed some comments you may have made,
20 but there was nothing before the Committee other than that
21 from the Board.

22 At the November 5 meeting both of us brought up
23 the point that we should take a look at the possibility of
24 accelerating our four lawyer plan.

25 It was my understanding that the Committee would

1 take a look at our thoughts and then come back with what
2 it was thinking and its recommendations.

3 MR. EHRLICH: Mr. Chairman?

4 MR. CRAMTON: Mr. President?

5 MR. EHRLICH: After the November meeting and parti-
6 cularly intensively after the Committee's meeting at which
7 we were instructed to develop these options and analyze the
8 feasibility, we did as full and careful an analysis as we
9 could.

10 The memorandum before you -- Steve Walters was the
11 primary draftsman, but Bud Hennigan and Al Corbett and Judy
12 Riggs worked very hard on it and through Charles Jones'
13 office, we looked very hard, particularly at the question
14 of feasibility.

15 We did not make a recommendation in this memorandum
16 in major measure because we wanted to talk to each of the
17 regional directors and budget people to get their own judge-
18 ments and match them up with ours and find out on the ground
19 that we want to be very confident that any recommendation
20 that we make to this Board was made on the basis of something
21 that we believe that we are convinced that we can do and
22 do absolutely soundly with high quality legal services.

23 We are prepared to make that recommendation and
24 I myself, however, would very much like to hear from those
25 in the audience if there are some, who have not spoken to

1 the Committee or elsewhere during the process of these
2 things who might have a different view on the ground that
3 is more information before us.

4 MR. ORTIQUE: Before we do that -- before we hear
5 from the public, Glenn, I would like to make this comment.

6 Unfortunately I was ill during the last meetings.
7 It seems to me there are three factors in determining what
8 we present to the Congress as our proposed budget.

9 One is need. I would suspect that this Board would
10 indicate that the need is there. We do not have to substan-
11 tiate that.

12 The second factor is capability. I would have to
13 depend a great deal upon the President and his staff to make
14 suggestions about capability.

15 I might take in all those comments that you made,
16 Tom.

17 But the third is feasibility in my view and that
18 is the one that I would hope that this Board will give
19 appropriate consideration to.

20 I understand that the \$178,350,000 was made just
21 about the time when the elections were taking place or
22 shortly thereafter.

23 It seems to me that from all indications, we
24 have a president and an administration -- or we will have
25 on the 20th of January -- a president and administration that

1 is sympathetic to legal services as opposed to a president
2 and administration that was not sympathetic to legal services.

3 Now some people may differ as to whether he was
4 neutral or sympathetic or unsympathetic, but in my view he
5 was unsympathetic.

6 I think that should play a very important part
7 in what we present to the Congress.

8 On that score, I believe that the people including
9 many of the politicians who found themselves in difficult
10 positions during the Nixon Administration and even during
11 the Ford Administration would now be favorable towards in-
12 creasing the funds substantially.

13 I have no fear about my strong feelings that these
14 funds should be increased substantially.

15 I think I have commented on more than one occasion
16 that legal services presently serves as the training ground,
17 not only for public defender offices and state defender offi-
18 ces and municipal prosecution offices, but also for private
19 law firms.

20 That is private law firms are pleased that young
21 lawyers can go into legal services and make their mistakes
22 and get their feet wet and then join their law firms.

23 I would urge that we need to cease serving in that
24 capacity. The only way that we will cease is that we become
25 competitive and improve our professionalism and that we extend

1 the services.

2 All of this means more money.

3 I would urge this Board to move from the position
4 that apparently you are in with reference to \$178,350,000
5 for all of these reasons and urge us to consider a substan-
6 tially higher figure.

7 MR. SMITH: Mr. Chairman?

8 MR. CRAMTON: Mr. Smith?

9 MR. SMITH: Mr. Chairman, Director Broughton is
10 absolutely correct that our meeting in November we did take
11 a position of supporting \$178,000,000.

12 Director Thurman did what he suggested too, a
13 moment ago, at that meeting in November. He suggested that
14 we should make a substantial increase.

15 But at that time the substantial increase suggested
16 by people in the audience in comments and also members of
17 the Board, such as Rudy and Sam, were made upon a basis of
18 the third point that Revius was discussing, and that was
19 feasibility or perhaps even more appropriately described
20 as political expediency.

21 At that time it was the second day after the
22 election and there were comments that the climate has changed
23 and now we can get more and therefore we should ask for
24 more.

25 At that time I was very much opposed to asking for

1 more on that basis alone, because I think that is very des-
2 tructive over our credibility.

3 If we come in saying, "Well, it looks like a new
4 day and we can ask for more and we will worry later how we
5 can demonstrate our planning and use for that money and we
6 will ask for it just because we can get more." -- I could
7 not be in favor of it on that basis.

8 I said so at that meeting and our Board did say
9 at that time that we should stay with the \$178 million.

10 Then later the Committee, as I understand the
11 presentation by Glenn, decided there should be some alter-
12 natives presented in a reasonably deliberate manner, calling
13 upon the staff to delineate plans and ideas and actual
14 feasibility of usage of the money.

15 That is the proper approach in my mind whereas
16 the first approach was just asking for it because we might
17 just get it is an improper approach.

18 So having worked on it as the staff has and having
19 developed some alternatives, I think that they have approached
20 it on the proper method and I think they have some good
21 showing now of how some money beyond the \$178 million might
22 be used in a solid manner for consistent development along
23 with our commitment which as Rudy expressed it -- our
24 delivery of high quality legal services in a most economi-
25 cal and efficient method and serving the greatest number of

1 people possible.

2 In lots of areas of governmental service, sometimes
3 we do damage to the very principal we are trying to promote
4 and we do damage to our capability of helping those people
5 whom we are working the hardest to help.

6 If we get overly enthusiastic and go beyond the
7 bounds of a realistic plan for what we can do and how we
8 can do it is an example.

9 For one thing, if we could get money even beyond
10 anything beyond Option 1, I think it might well be a mistake
11 to get it for a number of reasons, one of which the Committee
12 considered -- that would be if we went too far without stable
13 and solid planning, we could lock ourselves into certain
14 methods that are currently used, and eliminate or greatly
15 hinder the possibility of utilization of the very thing that
16 we were charged to do and that Sam Thurman's Committee is
17 busy doing.

18 That is exploration of alternative methods of
19 delivery.

20 We have just barely started on the exploration of
21 those alternative methods and if we commit ourselves too
22 fully to the only methods now being used, we foreclose the
23 real possibility of the greatest development and utilization
24 of benefits and results, hopefully, very good results from
25 some of those demonstration projects that will show us how

1 we might well live up even better than we now have the
2 capability of doing, to to the commitment in the preamble of
3 the law under which we are acting of delivering high quality
4 legal services in the best method possible.

5 That is just one of the reasons I think it would
6 be a mistake to lock ourselves in too far down the line and
7 commit ourselves for too many years because we should be
8 doing it in a manner that allows us some flexibility of
9 improving the method of delivery and improving the amount of
10 legal service that we can deliver for the dollars spent.

11 While I now think that, contrasted with what I
12 thought in November, having had several weeks to work on it
13 and the staff having developed what they have developed for
14 us to consider, I think that we can spend and really show
15 that we can properly spend a considerably greater amount
16 than was apparent that we could utilize in November.

17 I still think it would be a mistake to go too far
18 beyond what I think would be a realistic use of our resources
19 even taking into account the feasibility that maybe we could
20 get more.

21 I think we should try to establish the level at
22 which we could do the very best job possible this year and
23 leave us some flexibility for greater increases in subsequent
24 years and greater utilization of some of the benefits of
25 our studies of alternative methods.

1 So, for those reasons, Mr. Chairman, I would like
2 to offer a substitute motion to the motion now pending on the
3 floor that we establish our budget at Option 2, which is
4 \$216 point something million -- \$216.8 million.

5 MR. THURMAN: I will second that.

6 MR. STOEPHEL: It is \$216,870,000.

7 MR. SMITH: Right.

8 MR. CRAMTON: The substitute has been moved and
9 seconded. Discussion is in order on the substitute and in-
10 asmuch as it is related to all the options that are before
11 us.

12 We will not vote on this until we have had an
13 opportunity to adequately consider all the alternatives.

14 If all the members of the Board who are here now
15 address this issue initially, would it be in order to enter-
16 tain some discussion by members of the public who are here?

17 MR. STOPHEL: I do not mind members of the public
18 speaking. I have heard a number of these folks three times
19 and I would just as soon hear from some new ones.

20 MR. CRAMTON: Please bear in mind that some of
21 you have had an opportunity to express views, not only to
22 the Board, but to the Committee on several occasions.

23 We would hope that for the most part we do not
24 get too lengthy repetition of the views already expressed.

25 Please identify yourselves when you come up.

STATEMENT OF
DENNISON RAY

MR. RAY: I am Dennis Ray, of the Durham, North Carolina program. I am here to speak on behalf of the project advisory group, which is the PAG.

We think that any proposal submitted to Congress which is less than an immediate attainment of minimum access would be wrong.

Therefore, we unequivocally support the first alternative of \$264 million.

There are approximately 5 major factors. The first is demonstrable need and the second is the injury to existing legal services programs own capability without the adoption of the first alternative.

The third is the capacity of the program to implement that alternative and the fourth is the fact that the timing will never be better than it is now.

The last is that we submit that our credibility with Congress and the administration can only be enhanced by supporting that proposal.

I would like to briefly explore each in turn.

First, although we assume and rightly so that the need should be taken for granted, nevertheless, in the 200th year of the existence of this country, only now do 29 million people have any possibility of having access to the legal

1 system. We are still in the position of postponing that.

2 We will postpone that minimum access, which is
3 a meager objective for about 7-1/2 million people if we
4 adopt proposition number 2.

5 That is hardly a goal which is worthy of argument
6 in terms of need.

7 At the same time we have existing legal services
8 programs that even for the relatively better funded ones
9 are suffering very seriously in their ability to retain
10 staff, for example, and their inability to pay competitive
11 salaries with other public service institutions and the
12 like.

13 We submit to you that these problems for the
14 existing programs can never been satisfactorily addressed
15 until we have had at least gotten behind us the attainment
16 of minimum access for everybody.

17 With respect to the matter of timing, Mr. Cook,
18 who unfortunately is not here today, very effectively at the
19 appropriations committee meeting, made the point that the
20 administration being new will be most receptive at the
21 beginning and that thereafter it will tend to become more
22 conservative in terms of the kinds of things that we will
23 be proposing.

24 Secondly, the very fact of continuing inflation
25 as additional time passes, will make it harder to achieve

1 the two attorney per 10,000 people goal by definition.

2 Thirdly, it has been pointed out; I think rightly
3 so, that legal services right now is enjoying a new peak
4 of receptivity.

5 We are being looked upon for the first time in a
6 long time, thanks to the work of the people in this room,
7 with some favor.

8 And yet it is going to be inevitable that not only
9 will new social and other kinds of issues demand the attention
10 of Congress and the administration in years to come -- and
11 therefore compete with us, but also that as we expand,
12 hostility is bound to be generated.

13 That is inevitable and that is of necessity going
14 to undermine what is the most favorable reception that we
15 could probably get right now in Congress and the administrat-
16 ion.

17 With respect to the question of capability of the
18 Corporation, one of the most critical issues, I would like
19 first to read two portions very briefly from Mr. Ehrlich's
20 memo to you of January 4.

21 On page 5 he states that as a result of all of
22 these activities, by the end of Fiscal Year 1977, there
23 will exist the administrative structure necessary to provide
24 minimum access to legal services for all poor people and
25 well conceived plans for accomplishing that objective.

1 The only missing element will be the funds to
2 carry out those plans. I repeat -- the only missing element
3 will be the funds to carry out these plans.

4 He repeats the same statement on page 9.

5 Now, of course, we will hear from Tom in a few
6 minutes. I understand there are certainly some concerns in
7 the Corporation with respect to the capability of attracting
8 management staff. We can appreciate that.

9 This is notwithstanding his assurances in the
10 memo.

11 But for the past six or seven years, the legal
12 services program has not had any need to have new management
13 capability.

14 We are only now on that threshold. What we obviously
15 need, among other things, is the money for the program support
16 that Dick Carter so ably runs -- to have a management capabil-
17 ity and the development capability.

18 We have 18 months in which to do it because Fiscal
19 Year '78 does not begin until the first of October and the
20 money does not have to be committed and at that point and it
21 can be committed at any time during the following 12 months.

22 So we have 18 months or more in which to release
23 those monies commensurate with the capability to do the job.

24 This morning I thought in the most effective way
25 the regional directors, one after another, got up and told you

1 "We can do it.".

2 We have the money and we can do it. It makes sense
3 because the expansion structure has been established.

4 It takes two basic modes. One is through existing
5 programs and the second through a large scale new program
6 often the result of conglomeration or merger.

7 If it is through the existing programs you have
8 got the top management and if it is through merger then
9 you create and free up managers and reduce the number that
10 you need.

11 If this country in three years time back in the
12 1940's could create an atomic bomb, then this Corporation
13 in 18 months ought to be able to create a management develop-
14 ment program.

15 VOICES FROM THE AUDIENCES: Right on. Right on.

16 (Applause.)

17 MR. RAY: Lastly, with respect to Congress -- I am
18 not going to stand up here and claim that I am an expert on
19 Congressional relations.

20 Yet there have been some favorable intimations
21 from the administration and the Congress of a significant
22 amount of money.

23 It would seem logical to most of us that if you go
24 to Congress and say in all honesty, "This is what we need
25 and this is what we are capable of doing.", and if in reaching

1 that conclusion we have demonstrated a flexibility and a
2 sense of reality by being able to depart through experience
3 from a previous position -- that is the position that Con-
4 gress would most respect.

5 I have one last somewhat personal note, because
6 I could not help today sitting in this room in this building
7 thinking back to the last generation in the 1960's where in
8 the old Court of Appeals courthouse over on Rue Royale, there
9 was achieved the kinds of breakthroughs in the civil rights
10 movement that have begun to bring to minorities, a real
11 attainment of equality.

12 I can't help thinking how fitting it would be
13 that if today in the new court house a decision might be
14 made that would bring an attainment of equality to all low
15 income Americans.

16 Thank you.

17 (Applause.)

18 MR. CRAMTON: Thank you, Mr. Ray. I believe there
19 is somewhere here who is next in line. Come up and identify
20 yourself.

21 MS. WILLIS: My name is Denice Willis and I am
22 a welfare recipient. I am a little bit concerned. I wonder
23 why grants could not get up, but I was told there was no
24 money.

25 Sitting here today in this room hearing you say

1 that there is a possibility of getting more money, but it
2 is not feasible to ask for more money -- when you know that
3 everything is going up, instead you do not think it is
4 necessary to get anymore money.

5 Sitting here today and hearing the different
6 directors talk about quality of service and talk about lawyers
7 coming and going and to still hear you say there is no need
8 to ask for more money, well --

9 Here you say you hear many times people say those
10 people should get them a job and go to work. Some of the
11 lawyers are working, but they are working for low salaries.

12 You should sometimes go into the office and see
13 where there is an office on on the board in Washington for
14 a level here.

15 Go into my office and say that there is a lawyer
16 being paid right down here below. Now I hear you say there
17 is no need to implement more money.

18 I am very confused. I say this because I thought
19 that you were a Board that was concerned about legal services
20 for poor folks.

21 I thought you were concerned about opening offices
22 in areas where there were no offices.

23 I thought you were concerned about poor people in
24 general. But to hear you say that you do not think that
25 you should go and ask for more money because -- although you

1 could probably get it -- I can understand if you could ask
2 for it but not get it, rather than not asking it, but thinking
3 you can get it.

4 I think that every poor person, be it black, white,
5 or be it Mexican or whatever -- I think we have a right to
6 quality legal services and quality would mean different to
7 me than it would mean to you, because I must use your legal
8 service office.

9 You don't have to.

10 Because you are sitting on the Board, and you con-
11 trol the dollars that come to the legal services for all of
12 us, I think you owe me and other poor folks in this room and
13 across this country -- I think you owe it to us to go to
14 Congress and ask for the top dollar.

15 I do not think that you can tell us, nor should you
16 tell us that you will ask for a lower figure and think you
17 can get more.

18 Because then what you are doing to us is saying that
19 places where there is no service, there should not be any and
20 lawyers that want to leave because they can get a better
21 salary should do so.

22 What are you saying to us? We do not need any kind
23 of legal services? That is wrong.

24 We need the services that we have, plus more. To
25 every one legal service or whatever you have, you could use

1 20 more because there is more and more people being laid off.
2 Where are those people going?

3 I, too, at one time worked, but I am now on welfare.
4 Where am I going to go if the services close down? If you
5 do not ask for more money and the lawyers continue to leave,
6 where am I going to go?

7 Can I come here and get part of your salary? No.
8 Then where am I going?

9 I think we should be very concerned about placing
10 offices in places where there is no office and that takes
11 money.

12 We sit here this morning and heard all the directors
13 talking about more services are needed. The only way to
14 provide more services is to provide more money.

15 There ain't nobody who is going to get out here
16 nowadays and work for nothing. You would not do it. So I
17 do not think we should expect other people to do more or less
18 than we.

19 We cannot expect people to work for nothing. We
20 should pay people a decent salary and expect decent work,
21 but I do not think we should ask for them to work and give
22 us a quality working level and still put two or three pennies
23 into their area so they can be paid.

24 I do not think that is being fair to us as poor
25 people.

1 I would say to you once and for all that when you
2 do go to Congress, think about the poor folks out there.
3 It is not going to hurt your credibility to go to Congress
4 and tell you that you want two hundred and whatever million
5 it is.

6 It will not hurt to ask for that top dollar because
7 you could ask for more. You owe us that.

8 You cannot get around it. We are not poor because
9 we want to be. We are poor because we cannot help ourselves.

10 You do not have a good living because you want to,
11 but it just happened that it fell that way. I am not grudging
12 you your living. I am happy. But don't grudge me legal
13 services.

14 I have to use it, not because I want to. I would
15 love to be able to use a big law firm. I would be happy to
16 but I do not have the money.

17 So when you deprive me of monies that can provide
18 services in more places, then you are also hurting me. I want
19 you to remember that not only grown folks are being hurt, but
20 also children and families.

21 I want you to remember that.

22 Thank you.

23 (Applause.)

24 MR. CRAMTON: Thank you, Ms. Willis. I call on
25 Frank Jones of NLADA.

PRESENTATION OF
FRANK JONES

MR. JONES: Mr. Chairman, I am mindful of Mr. Broughton's admonition of repetitious statements and issues. I will not go back and talk about what I could in terms of need and feasibility, either political or technical.

I certainly cannot improve upon what Dennie Ray has said. I would like to suggest another prospective to this whole question.

This process and the funding of legal services has been in the context of a legal services context -- it has been a community process since the beginning.

Back in 1969 the organized bar and the NLADA said the minimum need was \$90 million.

This process, and the question of funding and the amount of funding, therefore, becomes a highly emotional one for those of us in the legal services area, because we do think in terms of the manifest and obvious need.

The creation of the Legal Services Corporation -- the entire community has come to look at the Legal Services Corporation for leadership in this regard.

I suggest that the Congress has come to look to the Legal Services Corporation for leadership in this regard and those of us in the community that will continue to push for adequate funding of legal services for all the reasons

1 that have been stated here and all of the reasons had to be
2 obvious to everybody and even to the most skeptical person
3 on the Board.

4 For all of those reasons, it is necessary to ask,
5 I believe for Option Number 1.

6 Beyond that, if the Board and this Corporation
7 does not take that leadership, it is going to make it im-
8 possible or certainly very, very difficult, if not impossible,
9 for those of us who will be independently pushing, as we
10 have done for the last decade for adequate funding for legal
11 services -- to answer the question, "What does Legal Ser-
12 vices Corporation say about this?".

13 The organized bar and the American Bar Association,
14 I believe, is willing to support the figure that this Corporat-
15 ion comes out with in terms of what it ascertains or deter-
16 mines is the need based upon its studies and its own assess-
17 ments of its ability to use that money wisely.

18 The NLADA and other organizations will be support-
19 ing and looking into this Corporation for leadership in this
20 regard.

21 So the real question is not so much the feasibility
22 -- although I think as other speakers have indicated, there
23 will never be, and there never has been a more propitious
24 time to seek adequate funding or something closer to adequate
25 funding than right now.

1 We do know and we have from the representatives
2 of the administration a favorable disposition to high funding
3 for the Corporation for legal services.

4 They understand there has been a continuing need
5 since 1969.

6 The organized bar understands that. People in my
7 association, the National Legal Aid Defenders Association,
8 understands that.

9 We look to this Corporation to help us help you
10 to get the adequate and necessary funding.

11 So I would hope that the Corporation in its deli-
12 berations would consider Option Number 1 as being the
13 option that will provide the minimum need at this point.

14 MR. CRAMTON: Thank you, Mr. Jones. There is a
15 lady in the rear and then a gentlemen and then Lou Pritchard.

16 PRESENTATION OF
17 BOBBIE WINDELL

18 MS. WINDELL: My name is Bobbie Windell and I am
19 from Oklahoma City. I am a member of the Board of Directors
20 ---

21 MR. BROUGHTON: Would you come up closer?

22 MS. WINDELL: My name is Bobbie Windell from Okla-
23 homa City. I have been a member of the Board of Directors
24 of the Legal Aid Society of Oklahoma City for the past 10
25 years.

1 I am deeply in need of saying something to you about
2 this question, but I have no sophistication. I have no
3 expertise. I have no importance and not much clout.

4 But I would like to share something with you out of
5 my heart.

6 The fact that there is not any money is something
7 I could easily understand. Being a very poor person with no
8 money, I understand the best of anything.

9 But the word I keep hearing is the word that is
10 so awful and that is "later".

11 That is the word that the poor have heard for so
12 many years: Later, later. But we are here now and we are
13 poor now and we are hurting now.

14 All of a sudden the money is here now and we are
15 still hearing that God-forsaken word -- "later, later".

16 I am afraid this afternoon that you will not hear
17 me. I am afraid you do not know what I am saying. I am
18 appalled as I look at you and see how much power lies in the
19 hands of so few and how quickly you can drop the gravel on
20 it and will have decided for so many of us who are poor.

21 But I urge you to think about the highest possible
22 amount of money that you can consider at the earliest possi-
23 ble time.

24 Thank you.

25 (Applause.)

1 MR. CRAMTON: Thank you, Ms. Windell. I think you
2 enormously understated your articulateness.

3 PRESENTATION OF
4 LEE MYERSOFF

5 MR. MYERSOFF: My name is Lee Myersoff. I am a
6 member of the OCC.

7 First of all I would like to pick up what Revius
8 Ortique said and that is -- where are you going to find the
9 people?

10 We put out a job application for managers for our
11 offices. We have people who want to come back. They come
12 back at a salary less than they were making out in the field
13 because they want to get back with us.

14 I think that the managers are there but the capa-
15 bilities and the understanding and the needs and the legal
16 assistance and what we are supposed to be doing.

17 I think it is also going to answer your question
18 on affirmative action.

19 I will give you one example. In Los Angeles we
20 had hired a Chicano to head our mission office in San
21 Francisco.

22 A year and a half later he had to leave because
23 we could not afford a raise in our last budget. We could
24 not afford a raise because this very Board and its staff
25 instructed us not to increase the amount of money to cover

1 inflation. We barely were able to do that.

2 The problem that occurred then was not how to
3 increase services, but how to cut off services to the poor
4 using the same amount of dollars.

5 We found a loss of attorneys occurring and it was
6 not because they were leaving us because we could not fill
7 the slots.

8 We had to give some kind of cost of living increase
9 to keep those with us who were with us.

10 When you talk about the amount of money in Item
11 Number 1, to me that is not enough money. Indeed you are
12 asking for a minimum amount rather than the maximum amount.
13 There was a maximum amount under three priority lists only.

14 Let me say this. Lyndon Baines Johnson started
15 something that Richard Nixon started to destroy and I thank
16 Gerald Ford for having saved it.

17 I am not talking about Legal Service Corporation
18 because that began under Nixon. The whole concept began
19 with the Kennedy-Johnson term.

20 President Carter is coming in and now if at any time
21 at all would be an opportunity, not because he is a Democrat
22 and not because it is a new administration, but because where
23 are your programs lacking the most -- not on the Pacific
24 Coast where we do have 32 programs and in dire need to have
25 more -- but right from where the President of the United

1 States comes from -- and that is why now is the time to ask
2 for the minimum amount in my mind which is your maximum
3 amount.

4 Because when you go there, you will be able to
5 go to the people in Congress -- and we all know that the
6 Democratic facts of life in this Congress is that the
7 Southern senators and congresspeople hold the majority of
8 the top chairs in those committees.

9 This is now the time to make up for the sins of the
10 past when the bar associations would not allow legal service
11 programs to exist there.

12 That is why they were missed the first time.

13 Imagine what would happen if the first amount of
14 money ever granted for legal assistance if the bar associations
15 in every state had allowed legal assistance programs to come
16 out in every county and parish that was able to have one.

17 We would now be having three attorneys per county
18 and we would be asking for more money than we are requesting.

19 It seems to me that it is a matter of logic that
20 you ask for my minimum figure which is your maximum figure.
21 We ask you to do that saying we have learned in the past as
22 people who are going through OEO programs -- you talk about
23 new services but let me say this.

24 We also serve medical programs and we find that
25 the equivalent of Judicare, which is Medicare, does not get

1 us going to the office everytime we cough because we are
2 afraid that the doctor may not really want to see us about
3 a cold.

4 We go to our medical centers. But every year the
5 Congress does not want to fund something. It is a local
6 medical program.

7 Instead they increase Medicare, which turns out to
8 be the rip-offs and the private doctors.

9 We have an accountability in the community for
10 local attorneys. What is going to happen when this very
11 Board is one day going to face that same possibility that
12 happens with Medicare and find there is a scandal going because
13 people are processing wrong Judicare?

14 If you are talking about honest legal care, as
15 far as management capabilities are concerned, then let us
16 start from where it begins right here and maintain it.

17 Every year people have to put in a maximum dollar
18 program for a granteeship. We usually find that our funds
19 are cut off.

20 If in your minds the item that was supposed to be
21 put before you the first time before the amendment is too
22 high, imagine what will happen if Congress and everybody
23 always likes to do -- skim a little bit off.

24 Then you begin to go down lower and lower as we
25 have had to do in our various programs.

1 So if you ask for that middle period you may well
2 end up with \$185 million.

3 So I am asking you on behalf of the future that
4 you come up to par because that money you are asking for
5 is not going to really help San Francisco.

6 It will help where there are no programs in existence
7 at all. It will help with the ones you are just beginning
8 to start.

9 You have false figures in front of you when you
10 talk about covering. When you say that a state which has
11 three attorneys is giving maximum capability of legal
12 services -- that is a fraudulent figure.

13 I ask you now to step forward with honesty and
14 especially those of you who expect to leave the Board because
15 of non-reappointment -- leave with a little pride that when
16 you left you not only started the Corporation, but you left
17 it in a stance of fiscal capability to give everyone an
18 equal opportunity for legal service throughout the United
19 States and especially in those ten southern states where
20 the new President comes from.

21 Thank you.

22 (Applause.)

23 MR. CRAMTON: Mr. Pritchard?
24
25

STATEMENT OF
LLEWELLYN PRITCHARD

MR. PRITCHARD: First of all, gentlemen, I would like to enter a caviat in the record and that is today I speak on this issue as an individual and not as the Chairperson of the Standing Committee of the American Bar Association, since it has not considered the particular issue before you and neither has the Board of Governors of the American Bar Association or its house of delegates.

However, as you are all aware, the ABA has long favored the implementation and delivery of quality legal services to the poor, which in some way attempts to meet the urgent needs of the poor as we have seen them over the past decades.

I think that the Board has expressed to some degree a bit of reluctance and perhaps fear about going too fast and appearing, either in the minds of the Congress or perhaps the profession, of rushing.

I submit that perhaps it would be helpful for the Board to consider the question of time in a larger frame than just Fiscal Year 1978.

As you are all aware, there has been in the past a freeze on increased appropriations to legal services programs and even if, for example, option one were to be achieved, by the Corporation next year, when set in its

1 historic prospective over the last ten year period, it would
2 not indeed be too fast but rather a good case could be made
3 that it was still too damn slow.

4 Another point that I would like to make is on what
5 appears to be the reluctance of some individuals to answer
6 the issue of whether getting too much money would be a negative
7 factor for the Legal Services Corporation in that the quality
8 of the legal services, which were then packaged and delivered
9 would be somehow poorly affected.

10 I would submit that is a risk that I think the
11 Corporation should assume.

12 I say this, given what we have seen, as an organized
13 bar about the operation of this Board and your executive
14 staff and the regional directors -- I think that I would
15 be confident that this Board and its staff and its regional
16 directors and the attorneys on the line would adequately,
17 in a quality way, package and deliver these legal services
18 to the poor which are really so badly needed.

19 I have another point that I wish to make. It is
20 that I think those of the regional directors who spoke this
21 morning and some of my colleagues who proceeded me and talking
22 to the Board on this issue today, have recognized the fact
23 that there has been a change in attitude, as it were, among
24 the bar organizations throughout the country, about the
25 legal services movement.

1 We heard some reports about what has occurred when
2 regional people have gone in and talked to bar groups. There
3 has been a pleasant reaction that they have received and there
4 has been enthusiastic support for the expansion of legal
5 services programs.

6 Rudy Montejano alluded to the fact that one legal
7 services director in Orange County was named lawyer of the
8 year.

9 I think all of us realize that a decade ago that
10 could not have happened.

11 (Laughter.)

12 MR. PRITCHARD: There has been a change in attitude
13 and I think that as a result you will see that the Bar co-
14 operates fully with the Board in its attempt to offer quality
15 legal services.

16 The last point I want to mention is not really the
17 last point in favor of a sizeable increase in the budget --
18 I will not duplicate, however, some of the things that have
19 been said earlier.

20 But as I mentioned to some of you earlier, it is
21 important to take note of the fact that there has been an
22 acceleration of what Dean Ehrlich called in his New York
23 Times article, "legal pollution".

24 The number of issues which require legal action
25 has been accelerating at a great pace.

1 The Congress over the past several years has
2 created a number of rights and remedies in new areas that
3 did not previously exist.

4 I think that the Board should take this development
5 into account in making its decision as to the amount of
6 funding which you will seek in the future.

7 While, as I said at the outset, I cannot promise
8 the support of the American Bar Association at this point,
9 I can certainly promise my own support and ultimately that
10 of the Association in whatever decision is reached by the
11 Corporation.

12 But as Mr. Jones has pointed out, if you don't
13 indicate a high enough figure, I would submit that it is
14 going to be exceedingly difficult for either independent
15 groups to urge that perhaps a figure in excess of the one
16 you submitted should be implemented.

17 Again, my appreciation to all of you for having
18 the opportunity to address you on this issue.

19 (Applause.)

20 MR. BROUGHTON: Could we have a five minute break?

21 MR. CRAMTON: We will have two or three more
22 comments and then we will just have a short recess.

23 I recognize Mr. Levy.
24
25

PRESENTATION OF
DAVID LEVY

MR. LEVY: I am David Levy from the National Legal Aid Defenders Association. I would like to make two brief points about the Corporation's ability to engage in such a large expansion of legal services activities.

First of all, I would point out that while expansion has occurred this year, this is the second year that we have had expansion.

We moved from the original appropriation of some \$71 million upwards to the appropriation of last year and in fact that had a good deal of effect on people's planning for expansion.

You will find such states as Tennessee and Kentucky and other states -- you will find state-wide coordinators who were put in place who started to think about planning for delivery of legal services.

The second point that I would like to make is also about the capability.

It is a lot easier in a sense to plan for that final chunk of money -- that chunk of money that you know is coming for minimum access for a whole state.

You can put together a program that talks about salary levels that will keep people in for seven or ten years instead of turning over.

1 You do not have to gamble on the future and bringing
2 more money -- but you can construct an entity that will sus-
3 tain itself at that funding level, perhaps with inflationary
4 increases to cover in a minimal way your geographical area.

5 Right now the funding of the Corporation is going
6 to much smaller entities that I do not think have the capa-
7 bility of making that kind of planning of retaining people
8 to provide the high quality service that we ought to be
9 providing.

10 Thank you.

11 MR. CRAMTON: Thank you.

12 I would like to try to terminate this after one or
13 two more comments.

14 Bernie Veeney is in the back and then there is a
15 gentleman here.

16 STATEMENT OF
17 BERNIE VEENEY

18 MR. VEENEY: I am Bernie Veeney. I am going to be
19 very brief. I am only going to suggest to you that you opt
20 for the higher figure that some people have so eloquently --
21 if you are not going to opt for the higher figure, then you
22 might want to think of a new local corporation.

23 You might use a tombstone and you might inscribe on
24 that tombstone "Here lies the hopes of 7 million people,
25 killed by the absence of a forceful advocate and killed by

1 expediency and killed by executive session."

2 (Applause.)

3 (Laughter.)

4 MR. CRAMTON: There is the gentlemen over here.

5 STATEMENT OF
6 GARY SINGSON

7 MR. SINGSON: I am Gary Singson from New York and
8 I wanted to make some brief comment about the alternate
9 delivery study that was made earlier.

10 We are moving to a goal of \$7.00 per poor person
11 and the two lawyers per 10,000.

12 We are talking about a timing question of one or
13 two years at this stage in the conversation.

14 We may have the ultimate delivery study results or
15 some of them by the second year of that. Realistically we
16 are not going to know all of those answers until after the
17 time frame we are talking about.

18 Even more realistically we are talking here in the
19 two lawyers per 10,000, about minimum access and making this
20 a nation wide access program for the first time in which every
21 poor person in the country by our very skimpy definition of
22 poverty has some chance of access to a lawyer for the first
23 time.

24 We are not talking about the end of the process
25 that we are all engaged in.

1 We have to do this in a fairly pragmatic framework.
2 We need to make the decision to move now with what we do know
3 works and to be prepared to make changes if it turns out
4 that something else works better.

5 But to wait now in the hope of having a more per-
6 fect image is, I think, putting off our responsibility instead
7 of taking it on and doing the best we can with what we know
8 now -- and we know it works and you have heard the regional
9 directors talking about that -- and being prepared to change
10 -- if as we gather greater knowledge that it turns out there
11 are better ways to go.

12 MR. CRAMTON: I recognize the next person.

13 STATEMENT OF
14 LARRY LAVIN

15 MR. LAVIN: I am Larry Lavin, Director of Community
16 Legal Services in Philadelphia. This is a program which is
17 often referred to as one of the relatively well funded
18 programs.

19 We were facing today what we faced in Pennsylvania
20 two and one-half years ago when we had to decide about going
21 from state-wide funding level of \$3 million to a request
22 for \$10 million because we had an indication that was the
23 amount of money that we would be able to obtain from the
24 state government.

25 We did so by carefully looking at the resources

1 that we had. We were young bucket-assed kids and we knew
2 that we did not have the most experienced personnel in the
3 country and that we had very raw talent in legal services.

4 I can't help but reject totally the quality argu-
5 ment that I hear being made today. The need is there. It
6 is so great that I don't think you can understand it because
7 you do not have any clients on your Board.

8 VOICES FROM THE AUDIENCE: Right on. Right on.

9 MR. LAVIN: The money that we were able to get
10 in Pennsylvania helped us increase the quality of our service
11 tremendously.

12 Our program is like an open door. Since we have
13 become well funded, we have expanded and doubled in size.

14 We have expanded from every end and we have
15 increased our staff very quickly and moved into seven new
16 locations in the City of Philadelphia and gone through
17 tremendous growth problems.

18 Those problems are mainly at this point in time
19 morale problems involved in the change from a small personal
20 program to a large complex program.

21 Also we have communication problems. But no one
22 who has examined our program has talked about the quality
23 of our legal services in anything but a most positive way.

24 We have increased the involvement of the client
25 community in the quality of legal services. We have gone

1 from zero paralegals to 50 paralegals whose ability and
2 talents I would match with anyone else in the country.

3 Our attorneys are all young and new. Their training
4 has been able to be done by us in a period when nothing was
5 happening on the national level because we had the funds to
6 train our own staff in-house to buy the equipment to do that.

7 Right now management is one of our major needs
8 but we also have the funds and resources, hopefully, to
9 buy the management needs that will address the other quality
10 parts of our program.

11 I would only urge on you that we have been able to
12 do more with more funds than ever before.

13 However, today there is a three-week to two-month
14 waiting list at every one of our offices. One of our offices
15 is closed until the middle of March, for divorce cases and
16 another office is closed until the middle of February for
17 any intake whatsoever.

18 We have only been able to do, with our increased
19 funds -- we have only been able to increase the clients
20 served from 12,000 per year to 16,000 projected for this
21 year.

22 The reason is that we have spent more time on
23 the quality and we still have a great number of clients
24 who will be unable to be served unless we receive additional
25 funds to increase the size of our program.

1 As far as the alternative study question goes, I
2 do not think that is a question that legitimately can be
3 raised to say that you should not seek more funds.

4 It seems to me that by requesting the maximum
5 amount of funding, you would be able to experiment in the
6 maximum feasible way with all the alternative delivery systems
7 that have been suggested to date.

8 I thank you.

9 MR. CRAMTON: Thank you, Mr. Lavin. We will now
10 take a five-minute stretch in place and then I think the
11 Board would like to talk about this question.

12 (Short recess taken.)

13 MR. CRAMTON: We will now try to resume. Well,
14 although we do not have the President of the Corporation
15 here, we have all of the Board members and so we had better
16 move along.

17 We had better recommence our meeting.

18 We plan to go until approximately 6:00 p.m.
19 tonight and I do not know whether that will complete the
20 agenda or we will return tomorrow at 9:00 a.m., but we will
21 see.

22 Some of the comments from members of the public
23 -- it seems to me have misunderstood some of the comments
24 that my brethern have made.

25 I have not spoken on this issue yet, but it seems

1 to reflect an assumption that if the Board can get anything
2 it asks for without regard to the amount requested and it
3 also seems to reflect inevitably that we will get more if
4 we request more.

5 I do not think that can be taken for granted.

6 The Board has before it a substitute motion which
7 would constitute a 73 percent funding increase from last
8 year's funding of \$125 million.

9 This is an error when it is difficult to get tax-
10 payers to support increases on virtually any program.

11 That constitutes three quarters of the funding
12 -- three times the total of the funding of legal services
13 only two years ago.

14 My colleague, Glee Smith is willing to support the
15 level up to \$178 million.

16 We have no assurances from anyone in the administrat-
17 ion or Congress -- no assurances from anyone -- the new
18 administration has not formulated its budget proposal.

19 The President's present request from Congress
20 contains a request for \$90 million for legal services. This
21 is \$120 million less than the substitute motion that Mr.
22 Smith has called for.

23 Mr. President, now that you are here, are you pre-
24 pared to give us your views and recommendations?

25 MR. EHRLICH: Yes, I am.

1 VOICE FROM THE AUDIENCE: Mr. Chairman, prior to
2 hearing from the President, if I may take a couple of minutes
3 to address the Board.

4 I am Charles Dorsey, the Director of the Legal
5 Aid Bureau in Baltimore City.

6 STATEMENT OF
7 CHARLES DORSEY

8 MR. DORSEY: I would like to bring to the attention
9 of the Board a few facts that have not been considered up
10 to this point.

11 For nine years I have struggled in legal services
12 attempting to build a quality law firm in Baltimore City
13 and it has been a struggle and continues to be a struggle.

14 I am concerned with problems not of 1978, but
15 problems of 1977.

16 In Baltimore City, and fortunately we were not
17 accorded expansion money under the formula that was worked
18 out -- at the beginning of the planning for Fiscal 1977, our
19 regional director wrote me and asked me what our needs for
20 Fiscal 1977 would be.

21 Our needs in Baltimore City, based on what we
22 foresaw happening in Baltimore City, was approximately a
23 million and a half dollars.

24 Our appropriation for what we were given was
25 approximately half that amount.

1 The problem that we are faced with in Baltimore
2 City at the present time is that once after having received
3 a certain level of quality, how are we going to maintain
4 that quality?

5 Over the years we have sought out other sources
6 of funding. When the Office of Management and Budget came
7 to talk with us, they were surprised with the few sources
8 of funding that we had been able to obtain, which they had
9 not heard about before.

10 As of January 19, I am losing 10 people in Balti-
11 more City. The problem that I am faced with is whether I
12 cut off access to clients in Baltimore City in an attempt
13 to maintain quality, or whether I sacrifice quality in order
14 to see as many clients as possible.

15 I am caught in the middle.

16 On the one hand are those clients who cannot be
17 served and sometimes cannot be seen because of the lack of
18 resources.

19 On the other side are the staff who are asking
20 serious questions about whether what we are doing is pro-
21 viding a pap for people to keep them quiet rather than
22 attending to their real problems.

23 My staff is concerned about salaries like everyone
24 else. But they are more concerned -- and they have expressed
25 the opinion that salaries should be slashed to keep people

1 on staff to serve people rather than giving minimum 5.5
2 percent increases.

3 If I were to discharge my responsibilities fully
4 as Director of a program that is attempting to serve people,
5 I would be here urging this Board to go for a supplemental
6 appropriation in Fiscal Year 1977 rather than raising ques-
7 tions as to the level which should be asked for in Fiscal
8 1978.

9 The situation in which I am now finding myself
10 is not very much different from the situation of many pro-
11 grams, especially programs in large cities, in these United
12 States.

13 I have had the opportunity to see many of them.

14 We have received increases over the last years.
15 The point that I am trying to make here is that even with
16 the increases, we have not reached a plateau where we can
17 maintain access to clients and quality legal services.

18 We in the field feel sure that we have the ability
19 to use very well the amount suggested in Option Number 1.

20 I think that I would be remiss as a project director
21 in not urging that this Board support Option Number 1.

22 Thank you.

23 MR. CRAMTON: Mr. President?

24 MR. EHRLICH: Where you stand on this issue
25 does depend on where you sit, like on so many other issues.

1 Here is my own view from where I sit.

2 I do, however, want to check again with some of
3 our staff, which is what we were doing during the break.

4 The need is clear. Mrs. Windell and others have
5 eloquently expressed it -- far more eloquently than I could.
6 The administrative structure is there, as the memorandum
7 which was sent to the Board indicates -- the only missing
8 element is funding.

9 Why was it not clear without any further look
10 than we should seek the funds under Option Number 1?

11 The reason that the staff and I wanted to examine
12 the feasibility and capability carefully was that we wanted
13 to be sure that we could make a sound and credible case
14 and provide effective and efficient services with those
15 funds in a way that would produce the needed services.

16 The need is there and I do not argue about that.

17 We have examined those issues as best we could
18 and talked with the regional directors and the regional
19 staff.

20 We have talked to the project people coming into
21 this session and then we heard the comments that were made
22 today.

23 Our own job, as I see it, is to propose what we
24 believe is needed and can be long-term spent for provision
25 of services in a way which will keep on producing not a

1 peak of popularity, but continuing ascendancy for legal
2 services.

3 When we did the analysis of what could be done
4 and how fast it could be done, we resolved what was initially
5 concerned about recruitment and training and all of the areas
6 -- there were always some pockets of concern except the
7 middle level management concern -- the concern was: Could
8 we provide a number of areas that middle level management in
9 a single year in a way that would insure effective and
10 efficient services?

11 I am not talking about San Francisco, but a number
12 of other places in the country.

13 It is my judgement that the risk of not being able
14 to meet the commitment made in that Option Number 1 budget
15 is sufficiently high that it is a wiser and better course
16 for legal services to seek to do this in essentially a 16
17 month period rather than a 12 month period.

18 Here is what I mean by this. We will seek Option
19 2 and say to the Congress, "We will gear up and move as fast
20 as we can so that in the second year, Fiscal Year 1979, we
21 will be prepared to move out the funds to finish the job
22 of minimum access -- not the full job, but the job of minimum
23 access within the first part of the year."

24 That is a delay over Option 1. There is no doubt
25 about it, but it is not a delay that I view with applause

1 any more than any one in this room views it as such.

2 But it is one that I honestly believe, on the
3 basis of discussions with this staff and Board, that it is
4 a sounder course for the long term of legal services.

5 We are in here for the long term -- next year and
6 a good many years to come and we must establish a credible
7 case that we can do and say we are going to do.

8 One could propose -- and it has been proposed --
9 "Go to Congress for a lot more on the ground that they will
10 cut it down anyway.

11 "Then you come out with something like what you
12 think."

13 I do not think that is a wise policy for us. We
14 have not followed it up to now. Up to now we have been able
15 to look at each one of the Congress persons that we talked
16 to and looked them in the eye and say we can use efficiently
17 and effectively these funds in the way we propose.

18 In honesty, I cannot say with a sufficient degree
19 of assurance -- this is not to say that if we did not have
20 the funds that we could not provide any service.

21 I am not saying that and I would not say that.
22 In other words, I do not say that is a mistake. It is a
23 judgement call. There is no question about it.

24 If it is the judgement of the Congress or whatever
25 we will go forward with that and do the best we can.

1 But my own judgement in terms of what we should
2 seek is Option Number 2 with the clear indication to Congress
3 that we will be geared up as fully and fast as we can so
4 that in the second year, the final year, of this minimum
5 access plan, before we move on to finish it completely, we
6 will be able to get those funds out and get them out very
7 quickly.

8 That is my judgement.

9 MR. STOPHEL: Mr. Chairman?

10 MR. CRAMTON: Mr. Stophel?

11 MR. STOPHEL: I move the proposal.

12 MR. CRAMTON: The pending motion is Mr. Smith's
13 pending amendment substitution proposal which is the Option
14 Number 2.

15 Is there further discussion?

16 (No response.)

17 MR. CRAMTON: Are you ready for the question?

18 (No response.)

19 MR. CRAMTON: All those in favor of Mr. Smith's
20 substitute, please say aye.

21 (Ayes.)

22 MR. CRAMTON: Those opposed?

23 (Nays.)

24 MR. CRAMTON: Let us have a show of hands.

25 All those in favor of the substitute, please raise

1 your right hand.

2 (Show of hands.)

3 MR. CRAMTON: Broughton, Stophel, Thurman, Smith,
4 and Kutak.

5 Those opposed?

6 (Show of hands.)

7 MR. CRAMTON: I see Mr. Montejano and Mr. Ortique.
8 I would record that if I cast a vote, I would have cast a
9 vote in favor of the substitute.

10 The substitute motion is now before you, having
11 replaced the main motion. We are now ready to act on the
12 merits of the substitute.

13 Is there discussion on the main motion?

14 MR. STOPHEL: I thought we adopted the substitute.

15 MR. CRAMTON: No, we voted on the replacement of
16 the main motion with the substitute. I think it requires
17 two votes. We have to vote on replacing the main motion
18 with the substitute.

19 We have just done that.

20 MR. STOPHEL: Okay, go ahead.

21 MR. CRAMTON: I think we now have substituted Mr.
22 Smith's motion for the motion that otherwise would have been
23 pending. We now have to adopt it on its merits.

24 Is there discussion on the merits of the pending
25 proposal?